

09 OCT 1973

MEMORANDUM FOR: Director of Central Intelligence

VIA : Deputy Director for Management and Services

SUBJECT : Increase in Minimum Amount for which  
Receipts are Required

1. Action Requested: This memorandum requests your approval for increasing, from \$15.00 to \$50.00, the minimum amount for which receipts are required to support reimbursement claims and accountings at overseas stations chargeable to confidential funds.

2. Basic Data:

a. Since 1961, Agency regulations have established \$15.00 as a minimum amount for which receipts or certificates in lieu of receipts are required to support reimbursement claims or accountings.

b. Because of the cost factors associated with monitoring the requirement that receipts be provided, verifying receipts with claims, pouching, storage, etc. we recently sampled 12,800 receipts originating from six different stations. The median value of such receipts was approximately \$100.00; 33% had a value of \$50.00 or less.

c. We believe the Agency should simplify its documentation requirements for reimbursement claims and accountings at overseas stations by establishing \$50.00 as the minimum amount for which receipts will be required. In our view this change will not decrease the effectiveness of Agency controls over utilization of appropriated funds for official purposes. This is said in the context that a receipt provides no substance as to whether a particular expenditure was (1) necessary, (2) reasonable in amount, or (3) for an official purpose.

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The claimant's general certification on the claim or accounting as to its authenticity in these respects coupled with the approval of an approving officer and review and certification by a finance officer provide the substantive basis to support final certification by the Director of Central Intelligence under his special authority.

d. Any change in policy concerning the minimum amount for which receipts are required internally to document claims and accountings should not affect actual practice of employees and agents in accepting or requiring receipts from others in accordance with established business customs in the locality. Employees and agents will be instructed to continue to recognize the need to retain certain receipts which may be required for operational reasons or receipts that may be needed locally for any other purpose such as for a possible warranty claim in case of a product purchase. Employees will be made aware that receipts not required should not be submitted and will be destroyed if turned in with an accounting claim.

e. There is no provision in General Accounting Office regulations or procedures published for the guidance of Federal Agencies for the establishment of a minimum dollar threshold of any amount, below which receipts are not required for general categories of claims. The present \$15.00 minimum established by the Agency for all categories of claims was derived from a \$15.00 minimum for miscellaneous travel expense items which has been reflected for several years in the Standardized Government Travel Regulations. It is clear that any increase in \$15.00 minimum should be based upon the special authority of the Director of Central Intelligence and for that reason it is proposed it be limited to overseas transactions chargeable to confidential funds.

3. Recommendation: It is recommended that under authorities granted you in the Central Intelligence Agency Act of 1949, as amended, you authorize the establishment of \$50.00 as the minimum amount for which

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receipts or certificates in lieu of receipts will be  
required in support of reimbursement claims and accountings  
of employees and agents at overseas stations chargeable  
to confidential funds, except for travel claims.

*/s/*  
Thomas B. Yale  
Director of Finance

No Legal Objection:

*/s/ John A. Warner*  
Office of General Counsel

11 OCT 1973

Date

CONCUR:

*/s/ Harold L. Brownman*  
Deputy Director for  
Management and Services

11 OCT 1973

Date

*/s/ W. E. Colby*

APPROVED:

Director of Central Intelligence

11 OCT 1973

Date

DISAPPROVED:

Director of Central Intelligence

Date

Distribution:

Orig - To be returned to D/F

2 - DCI

1 - DDCI


1 - ER

2 - DD/M&S

1 - OGC

*/s/* 1 - D/F

1 - DD/P&S *Subj*

OF/  da (9 Oct 73)

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